



**COMMUNITY DEVELOPMENT COMMISSION
of the County of Los Angeles**

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**Gloria Molina
Mark Ridley-Thomas
Zev Yaroslavsky
Don Knabe
Michael D. Antonovich**
Commissioners

Sean Rogan
Executive Director

July 5, 2011

Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**ADOPT RESOLUTION APPROVING ISSUANCE OF MULTIFAMILY HOUSING
MORTGAGE REVENUE BONDS FOR MULTIFAMILY HOUSING IN THE CITY OF
WEST HOLLYWOOD (DISTRICT 3) (3 VOTES)**

SUBJECT

This letter recommends that your Board adopt a Resolution approving the issuance of Multifamily Housing Mortgage Revenue Bonds to finance the construction and development of Courtyard at La Brea, a 32-unit multifamily rental housing development to be located in the City of West Hollywood. This letter relates to another item on the agenda of the Board of Commissioners of the Housing Authority to authorize the Executive Director of the Housing Authority to apply to the California Debt Limit Allocation Committee (CDLAC) for the bond allocation.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Acting as a responsible agency pursuant to the California Environmental Quality Act (CEQA), certify that the County has considered the attached Notice of Exemption for the Courtyard at La Brea project, which was prepared by the City of West Hollywood as lead agency; and find that this project will not cause a significant impact on the environment.
2. Adopt and instruct the Mayor to sign a Resolution, as required under Section 147(f) of the Internal Revenue Code of 1986, approving the issuance of Multifamily Housing Mortgage Revenue Bonds by the Housing Authority of the County of Los Angeles in an amount not exceeding \$8,000,000 to Courtyard at La Brea L.P. (Developer), a California Limited Partnership, to finance the construction and development of Courtyard at

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

33 July 5, 2011

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER



La Brea, a 32-unit multifamily rental housing development to be located at 1145-1151 North La Brea Avenue in the City of West Hollywood.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of this action is to approve the issuance of Multifamily Housing Mortgage Revenue Bonds in an aggregate amount not exceeding \$8,000,000 in order to finance the construction and development of the Courtyard at La Brea apartments.

FISCAL IMPACT/FINANCING

There is no impact on the County general fund. The bonds will be repaid solely through rent revenues collected by the Developer. The Developer will pay all fees and related costs.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The Project, to be located at 1145-1151 North La Brea Avenue in the City of West Hollywood, will be a five-story apartment building, comprised of 24 one-bedroom units, seven studio units, and one two-bedroom unit. Fifteen of the units will be reserved for households with incomes that do not exceed 50% of the area median income and sixteen of the units will be reserved for households with incomes that do not exceed 30% of the area median income for the Los Angeles-Long Beach Metropolitan Statistical Area, adjusted for household size, as determined by the U.S. Department of Housing and Urban Development (HUD). The affordability requirements will remain in effect for 55 years. Fifteen of the affordable units will be occupied by special needs households. One two-bedroom unit will be set-aside for the manager and will have no affordability requirements.

On June 6, 2011, the City Council of the City of West Hollywood adopted a resolution authorizing the Housing Authority of the County of Los Angeles to issue multifamily revenue bonds to finance the construction and development of the Courtyard at La Brea.

Adoption of the Resolution by your Board is required prior to submission of the Housing Authority's application to CDLAC for a private activity bond allocation. This action does not, however, authorize the issuance and sale of the bonds. The Housing Authority will return to the Board of Commissioners for this authorization at a later date.

On June 8, 2011, the Housing Authority conducted a hearing at its office located at 2 Coral Circle in Monterey Park regarding the issuance of multifamily bonds to finance the Project, pursuant to Section 147(f) of the Internal Revenue Code. No comments were received at the public hearing concerning the issuance of the bonds or the nature and location of the Project.

The attached Resolution was prepared by Kutak Rock, Housing Authority Bond Counsel, and approved as to form by County Counsel.

ENVIRONMENTAL DOCUMENTATION

The Courtyard at La Brea project was determined Categorically Exempt from the requirements of CEQA by the City of West Hollywood in accordance with State CEQA Guidelines Section 15332. The County's consideration of this determination satisfies the requirements of CEQA.

An Environmental Assessment (EA) has been prepared for this project pursuant to the requirements of the National Environmental Policy Act (NEPA). This document describes the proposed project, evaluates the potential environmental effects, and describes the mitigation measures necessary to avoid potentially significant environmental effects from the project. Based on the conclusions and findings of the EA, a Finding of No Significant Impact will be approved by the Certifying Official of the Community Development Commission. Following the required public and agency comment periods, HUD will issue a Release of Funds for this project. NEPA review and clearance will be completed prior to execution of the HOME Loan Agreement.

IMPACT ON CURRENT PROJECT

The proposed action is a necessary step to facilitate bond financing for the Project, which will increase the supply of affordable multifamily housing in the County with long-term affordability.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read "Sean Rogan", followed by a horizontal line.

SEAN ROGAN
Executive Director

Enclosures

RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF
LOS ANGELES APPROVING THE ISSUANCE OF MULTIFAMILY HOUSING
REVENUE BONDS AND RELATED ACTIONS

WHEREAS, the Housing Authority of the County of Los Angeles (the "Authority") intends to adopt a plan of financing to sell and issue multifamily housing revenue bonds in one or more series issued from time to time, and at no time to exceed \$8,000,000 in outstanding aggregate principal amount (the "Bonds"), in order to assist in financing (including reimbursement of Borrower's expenditures) the acquisition and construction of a multifamily rental housing development consisting of 32 units located at 1145-1151 North La Brea Avenue, West Hollywood, California 90046 (the "Project"), to be owned by Courtyard at La Brea LP (or an affiliate or assign); and

WHEREAS, pursuant to Section 147(f) of the Internal Revenue Code of 1986 (the "Code"), the Bonds are required to be approved prior to their issuance by the applicable elected representative of the governmental unit on whose behalf the bonds are expected to be issued and by each governmental unit having jurisdiction over the area in which any facility financed by such bonds is to be located, after a public hearing held following reasonable public notice; and

WHEREAS, the interest on the Bonds may qualify for exclusion from gross income under Section 103 of the Internal Revenue Code of 1986 (the "Code"), only if the Bonds are approved in accordance with Section 147(f) of the Code; and

WHEREAS, the Project is located wholly within the County of Los Angeles, California and is within the City of West Hollywood; and

WHEREAS, the City of West Hollywood or the West Hollywood Community Development Commission has approved the issuance by the Authority of the Bonds for the Project within the City of West Hollywood;

WHEREAS, this Board of Supervisors is the elected legislative body of the County and is the applicable elected representative of the Authority within the meaning of Section 147(f) of the Code; and

WHEREAS, pursuant to Section 147(f) of the Code, the Housing Authority of the County of Los Angeles has, following notice duly given, held a public hearing regarding the plan of financing and the issuance of such Bonds on June 8, 2011, and now desires that the Board of Supervisors approve the issuance of such Bonds; and

WHEREAS, this Board hereby finds and declares that this resolution is being adopted pursuant to the powers granted by law;

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. The above recitals, and each of them, are true and correct.

2. This Board of Supervisors hereby approves the plan of financing and the issuance of the Bonds by the Authority to finance costs of the Project. It is the purpose and intent of this Board of Supervisors that this Resolution constitute approval of the plan of financing and the Bonds by the applicable elected representative of the issuer of the Bonds and the applicable elected representative of the governmental unit having jurisdiction over the area in which the Project is located, in accordance with Section 147(f) of the Code.

3. The proper officers of the Authority are hereby authorized and directed to take whatever further action relating to the aforesaid financial assistance may be deemed reasonable and desirable, provided that the terms and conditions under which the Bonds are to be issued and sold shall be approved by the Board of Commissioners of the Authority in the manner provided by law prior to the sale thereof.

4. The Executive Officer-Clerk of the Board of Supervisors or a deputy thereof is directed to certify and deliver a copy of this Resolution to the Authority.

5. This Resolution shall take effect immediately upon its adoption.

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PASSED AND ADOPTED by the Board of Supervisors of the County of Los Angeles,
State of California, this 5th day of July, 2011, by the following vote:

AYES: Supervisors Molina, Ridley-Thomas, Yaroslavsky, Knabe and Antonovich

NOES: None

ABSENT: None

ABSTAIN: None

By Mike Antonovich
Mayor, County of Los Angeles

ATTEST:

SACHI A. HAMAI
Executive Officer-Clerk
of the Board of Supervisors

By: AmTch
Deputy



APPROVED AS TO FORM:

ANDREA SHERIDAN ORDIN
County Counsel

By: Behruz Jashakmaz
Deputy



NOTICE OF EXEMPTION: DEPARTMENT OF COMMUNITY DEVELOPMENT

TO: County Clerk, County of Los Angeles
12400 E. Imperial Highway, Room 2001
Norwalk, CA 90650

FROM: City of West Hollywood
Department of Community Development
8300 Santa Monica Boulevard
West Hollywood, CA 90069-6216
Tele: (323) 848-6475
FAX: (323) 848-6569
www.weho.org

SUBJECT: Filing of Notice of Exemption in compliance with § 21108 or 21152 of Public Resources Code

Project Title: The Courtyard at La Brea

Project Location - Specific: 1145-1153 La Brea Avenue, West Hollywood, CA 90069

Project Location - City: West Hollywood

Project Location - County: Los Angeles

Description of Nature, Purpose, and Beneficiaries of Project:

The project involves the redevelopment of an approximately 0.27-acre property located at 1145-1153 La Brea Avenue. Three commercial structures, one residential structure, and associated surface parking lots would be replaced with a five-story mixed-use building containing 31 affordable rental units, one manager's unit, and 1,287 square feet of ground level commercial office space.

Name of Public Agency Approving Project: City of West Hollywood

Name of Person or Agency Carrying Out Project: West Hollywood Community Housing Corporation

Exempt Status (check one):

☐ Ministerial (Sec. 21080(b)(1); 15268);

☐ Declared Emergency (Sec. 21080(b)(3); 15269(a));

☐ Emergency Project (Sec. 21080(b)(4); 15269(b)(c));

☒ **Categorical Exemption. State type and section number:** 15332 (In-fill Development Projects)

Reasons why project is exempt:

The project is Categorically Exempt from CEQA pursuant to CEQA Guidelines Section 15332 (In-Fill Development Projects) because: a) the project is consistent with the City's General Plan and Zoning Ordinance regulations; b) the development occurs on a site of 0.27 acres that is substantially surrounded by urban uses; c) the project has been developed with multiple urban uses since at least 1912 and the project site has no value as habitat for endangered, rare, or threatened species; d) approval of the project will not result in any significant effects relating to traffic, noise, air quality, or water quality; and e) the site can be adequately served by all required utilities and public services.

Lead Agency Contact Person: Francisco Contreras, AICP

Area Code/Telephone/Extension: (323)848-6874

Signature (Public Agency):  **Date:** March 18, 2011

Title: Senior Planner